

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL NOTE

HB 3355 - SB 3330

February 16, 2010

SUMMARY OF BILL: Authorizes local governments to conduct criminal background or fingerprint analysis, with cooperation from the Tennessee Bureau of Investigation (TBI) and the Federal Bureau of Investigation, for beer permit applicants. Authorizes TBI to assess appropriate fees.

ESTIMATED FISCAL IMPACT:

Increase State Revenue - \$108,900

Increase State Expenditures – \$108,900

Local Expenditures – Net Impact - Not Significant

Assumptions:

- Background checks will be conducted at the time of renewal.
- According to a survey of Shelby, Davidson, Hamilton, Rutherford, and Williamson Counties, and the City of Jackson, one beer permit was issued for every 1,753 persons in 2009.
- There are 5,929,059 residents in counties authorized to sell beer. As a result, it is estimated that 3,400 beer permits have been issued statewide ($5,929,059 \text{ residents} / 1,753 = 3,382$).
- Two-thirds of local governments authorized to sell beer will conduct background checks.
- According to TBI, the cost to conduct a criminal background check with fingerprints is \$48.00. The fees assessed for background checks will be paid by applicants at the time of their application or renewal. This will result in an increase to state revenue of \$108,900 ($\$48 \times 3,400 \times 0.667 = \$108,854.40$).
- Applicants are not currently being charged a fee for limited background reviews conducted by local governments. These reviews will be replaced by the TBI background check resulting in a reduction in local expenditures.

- Participating local governments will incur slightly increased costs to notify applicants of the new TBI background check. The net impact of the changes to local government expenditures will not be significant.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White". The signature is fluid and cursive, with the first name "James" written in a larger, more prominent script than the last name "White".

James W. White, Executive Director

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